

## HOUSE BILL NO. 500

INTRODUCED BY G. GUTSCHE

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE COMPOSITION OF THE BOARD OF OIL AND GAS CONSERVATION; EXPANDING THE CATEGORIES OF INTERESTS REPRESENTED ON THE BOARD OF OIL AND GAS CONSERVATION; PROVIDING FOR A 4-YEAR TERM OF OFFICE; DESCRIBING THE MANNER IN WHICH VACANCIES ARE TO BE FILLED; AMENDING SECTION 2-15-3303, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 2-15-3303, MCA, is amended to read:

**"2-15-3303. Board of oil and gas conservation -- composition -- allocation -- quasi-judicial. (1)**

There is a board of oil and gas conservation.

(2) The board consists of seven members, ~~three of whom shall be~~ appointed by the governor, including one person from each of the following categories:

~~(a) from a representative of the oil and gas industry; and have had at least 3 years' experience in the production of oil and gas and two of whom shall be landowners residing in oil or gas producing counties of the state but not actively associated with the oil and gas industry, but one of the two landowners shall be one who owns the mineral rights with the surface and the other shall be one who does not own the mineral rights~~

(b) a resident landowner in an oil-producing or gas-producing county whose land ownership rights do not include ownership of the mineral rights for oil or gas production under the land;

(c) a member of an irrigation district in a county where oil or gas production is occurring or has been proposed;

(d) a hydrologist;

(e) a tribal member;

(f) a conservationist; and

(g) a county commissioner from a county where oil or gas production is occurring.

(3) The board is allocated to the department of natural resources and conservation for administrative purposes only as prescribed in 2-15-121. However, the board may hire its own personnel, and 2-15-121(2)(d)

1 does not apply. The board may also prescribe the duties and annual salary of four professional staff positions.

2 (4) The board is designated as a quasi-judicial board for purposes of 2-15-124."

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4 **NEW SECTION. Section 2. Term of office -- vacancy.** (1) Except as provided in subsection (3), the  
5 term of office for a member of the board of oil and gas conservation is 4 years.

6 (2) After [the effective date of this act], each vacancy must be filled by a person from an interest group  
7 not yet represented. After all categories listed under 2-15-3303(2) are represented on the board, any new  
8 vacancy must be filled to replace the interest group associated with the person vacating the position.

9 (3) In order to implement staggered terms, the governor shall designate the term of office of an  
10 appointee.

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12 **NEW SECTION. Section 3. Notification to tribal governments.** The secretary of state shall send a  
13 copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell  
14 band of Chippewa.

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16 **NEW SECTION. Section 4. Codification instruction.** [Section 2] is intended to be codified as an  
17 integral part of Title 2, chapter 15, part 33, and the provisions of Title 2, chapter 15, part 33, apply to [section 2].

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19 **NEW SECTION. Section 5. Effective date.** [This act] is effective on passage and approval.

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